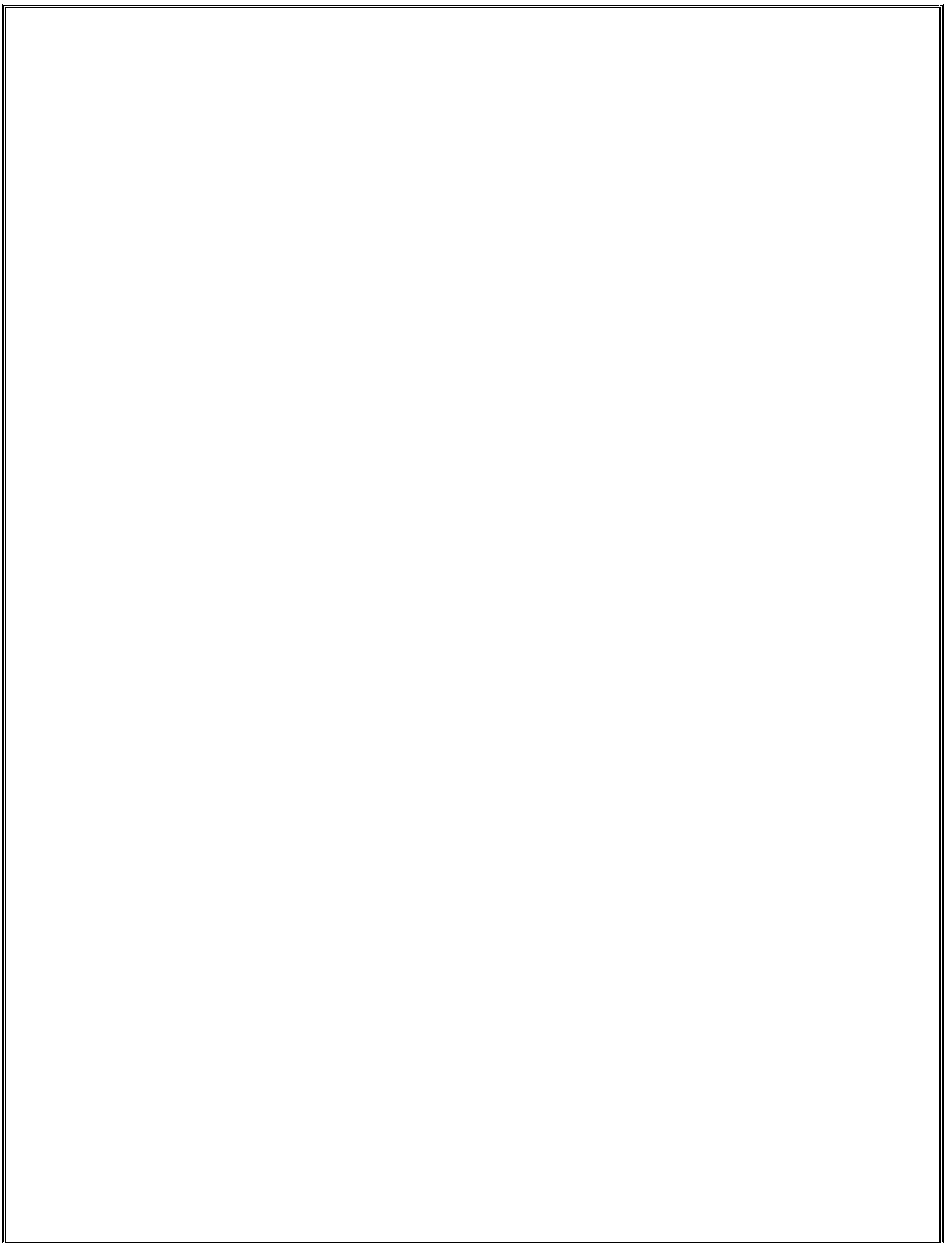


ELK COUNTY'S



SECTION 3 PLAN



**ELK COUNTY, PENNSYLVANIA
SECTION 3 ACTION PLAN**

I. PURPOSE AND SCOPE

A. BACKGROUND

Section 3 Action means promoting equal employment and development opportunities by gaining support from all administrative levels in establishing action plans, maintaining continual evaluation, and making adjustments to retain focus and progress toward stated goals. A Section 3 Action Program endeavors to realistically reinforce the concept that all segments of our society have and opportunity to participate in public service on a competitive basis and advance in accordance with capabilities.

B. Section 3 – PROVISIONS

Section 3 of the U.S. Housing and Urban Development act of 1968, as amended, with initial implementation regulations first published in the Federal Register on June 18, 1971 and a revised form effective November 23, 1973, provides that the Secretary of the U.S. Department of Housing and Development (HUD), in the administration of programs providing direct financial assistance in aid of housing, urban planning, renewal, public or community facilities, shall require, to the greatest extent feasible, as follows:

1. Opportunities for training and employment, arising in connection with the planning and carrying out of any project assisted under any such program be given to lower income persons residing in the area of such project. The Small Communities Program division of the Bureau of Housing and Development, Pennsylvania Department of Community Affairs has defined low income project area residents as individuals residing within the County of Elk whose income does not exceed 90 percent of the median income in which the Section 3 covered project is located.
2. Contracts for work, to be performed in connection with any project be awarded to business firms, which are located in or owned in substantial part by persons residing in the area of such project which are considered small and to be socially or economically disadvantaged.

The Assistant Secretary for Equal Opportunity has been delegated the functions of the HUD Secretary in administering Section 3 in accordance with the Regulations of November 23, 1973.

**C. APPLICABILITY OF SECTION 3 TO (GRANTEE'S) COMMUNITY DEVELOPMENT
BLOCK GRANT PROGRAM**

Based on Section 118 of the Housing and Community Development Act of 1974, P.L. 93-383, Section 3 of the Housing and Urban Development Act of 1968 is made applicable to CDBG projects funded under Title I of the Act. The grantee in its application gives assurance that it will comply. This Section 3 Action Plan was developed by the County of Elk to carry out the intent of that assurance.

II. COUNTY OF ELK PROGRAM FOR COMPLIANCE WITH SECTION 3

A. COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

1. *Housing and Community Development Act of 1974*

Section 118 of the Housing and Community Development Act of 1974, as amended amends Section 3 by specifying its applicability to community development block grants under Title of the act.

The County of Elk will meet this requirement by insisting on section 3 action with regard to all public works contracts and construction contracts funded in whole or in part with CDBG funds.

1. *Contract Requirements*

The County of Elk will required to be incorporated in all public works and construction contracts and subcontracts or work in connection with block grant funded activities the Section 3 clause set forth in project bid packet.

2. *Training and Employment Opportunities*

The County of Elk will require its respective bidders to provide an estimate of work force needs, which will indicate the approximate number of employee and trainee positions that will be required in the execution of the Contract. The bidder must also certify that good faith efforts will be made to employ lower income residents as employees and trainees to the greatest extent feasible.

3. *Business Utilization*

The County of Elk shall require each contractor undertaking work on block grant activities to develop and implement an Affirmative Action Plan to utilize, to the maximum extent feasible, small business concerns located in the County of Elk and, business owned by persons considered by the Small Business Administration to be socially or economically disadvantaged. The Plan will indicate the number and dollar value of all proposed contracts and set forth a goal or target number and estimated dollar amount of contracts to be awarded to eligible business concerns.

4. *Definition of Disadvantaged and Small Businesses*

a. Socially or Economically Disadvantaged

The Small Business Administration defines a business owned by persons considered socially or economically disadvantaged as those deprived of the opportunity to develop and maintain a competitive position in the economy because of social or economic disadvantage. Such disadvantage may arise from cultural, social, or chronic economic circumstances or background or other similar cause. In many cases, such persons may include, but are not limited to, members of the following minority groups: Black Americans; American Indians; Spanish-Americans; Oriental-Americans; Eskimos and Aleuts.

b. Small Business Size Standards

Small Business Administration's definition of small business as contained in 13 CFR 121.3-8, Small business Administration Rules and Regulations, indicates generally, that a small business is a concern which:

- 1) is independently owned and operated, and is not dominant in the field of operation in which it is bidding;
- 2) has 500 employees or less; and
- 3) has average annual receipts for it's preceding three fiscal years, which do not exceed \$12 million.

B. DESIGNATION OF AFFIRMATIVE ACTION OFFICER

The County of Elk will designate a person and an office responsible for maintaining the Action Plan for Section 3.

C. PUBLICITY PROGRAM

1. Advertisement

- a. The County of Elk will place in its advertisements for bids that the proposed Contractors must utilize Section 3 business and/or residents in the project area.
- b. The County of Elk will advertise in a newspaper of general circulation in the locality in an effort to further attract eligible and interested Section 3 business concerns.
- c. The advertisements for bid will have the following language inserted in bold print so as to have the opportunity noticed by prospective Section 3 Project Businesses:

“NOTICE IS HEREBY GIVEN THIS IS A SECTION 3 PROJECT OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968, AND MUST, TO THE GREATEST EXTENT FEASIBLE, UTILIZE PROJECT AREA BUSINESSES LOCATED IN OR OWNED IN SUBSTANTIAL PART BY PROJECT RESIDENTS. IF YOU ARE A QUALIFIED SECTION 3 BUSINESS YOU WILL UPON WRITTEN REQUEST TO THE ELK COUNTY PLANNING DEPARTMENT BE SUPPLIED A LIST OF ALL POTENTIAL BIDDERS WHO MEET THE COUNTY OF ELK’S GUIDELINES, IN ORDER TO FACILITATE YOUR ABILITY TO MAKE YOUR SERVICES KNOWN TO POTENTIAL BIDDERS.”

2. Assistance for Interested Section 3 Business

The County of Elk will make available to the successful bidder a list of those Section 3 businesses who have responded to the advertisement and expressed an interest in participating in the project.

D. BIDDING PROCEDURES

1. In the contract specifications for public works, the contract language set forth in 24 CFR 135.20 (b) will be inserted in the contract documents so as to make all parties aware of their employment and business utilization responsibilities at the earliest possible time.
2. Each bidder will be required to submit their Certification of Compliance with Section 3, Section 3 Action Plan, and their Utilization Goals for Employment and Small Businesses. In evaluating each bid, the County of Elk will carefully evaluate the bidder’s submission to determine whether the Action Plan proposed will accomplish stated goals.
3. Significant opportunities for utilization of Section 3 businesses in contracts for public works is contracting done on a negotiated basis. Therefore, contracts typically let on a competitive bid basis will also be let on a negotiated basis, whenever feasible.

E. NOTIFICATION TO DCED OF CONTRACT AWARD

The County of Elk will advise DCED within fifteen (15) days of the award of a contract for public works subject to Section 3. Such notification will include steps which have been and will be taken to comply with the requirements of Section 3.

F. REPORTING

The County of Elk will maintain sufficient documentation to enable DCED representatives to determine the results of the Affirmative efforts undertaken by the County of Elk including those of its contractors and subcontractors to utilize Section 3 businesses and residents for employment.

III. DUTIES IMPOSED ON CONTRACTOR AND SUBCONTRACTOR

A. CONTRACT LANGUAGE FOR ALL SECTION 3 COVERED PROJECTS

Every contractor and subcontractor shall incorporate, or cause to be incorporated, in all contracts for work in connection with a Section 3 covered project, the Section 3 clause set forth in 24 CFR 135.20 (b).

B. CERTIFICATION OF COMPLIANCE

Every contractor shall execute the Certification of Compliance and cause all subcontractors undertaking work in connection with this contract to furnish the same.

C. UTILIZATION OF PROJECT RESIDENTS

1. Trainees and Employees

The contractor and subcontractor shall fulfill his obligation to utilize lower income project area residents as trainees and employees to the greatest extent feasible by:

- a. Identifying the number of positions in the various occupational categories required to perform each phase of the Section 3 project.
- b. Identifying the number of positions currently occupied by regular, permanent employees and those that are not currently filled.
- c. Determining maximum number of positions to be fulfilled by lower income project area residents.
- d. Utilizing the maximum number of persons in the various occupational categories in all phases of the work to be performed under Section 3 covered projects, and
- e. Filling all vacant positions with lower income project area residents except for those positions which remain unfilled after a good faith effort has been made.

2. Good Faith Effort

Each contractor and subcontractor seeking to establish that a good faith effort has been made to fill trainee and skilled positions with lower income area residents, shall:

- a. Attempt to recruit from the appropriate areas the necessary number of lower income residents through local advertising media, signs placed at the proposed site and community organizations and public and private institutions operating within or serving the project area, such as the State Employment Office.

- b. Maintain a list of all lower income residents who have applied either on their own or on referral from any source, and employ such person if otherwise eligible and/or qualified and if a vacancy exists. If no vacancies exist, the eligibility and/or qualifications of the applicant shall be considered and listed for the first available opening.
- c. Any contractor or subcontractor which fills vacant apprentice and trainee positions and/or employment positions in his organization immediately prior to undertaking work pursuant to a Section covered contract shall set forth evidence acceptable for the County of Elk that its actions were not an attempt to circumvent these regulations.

D. UTILIZATION OF BUSINESSES

- 1. Each contractor in developing an Action Plan shall set forth the approximate dollar value of subcontracts to be awarded to eligible businesses and entrepreneurs within each category over the duration of this project.
- 2. Each contractor and subcontractor must establish that a good faith effort has been made to recruit eligible business concerns. Evidence of good faith shall consist of calling the project to the attention of eligible Section 3 businesses whenever advertisement in the local media is used, through signs placed at the site, and use of minority and disadvantaged business listings made available by DCED, SBA, and the Pennsylvania Department of Commerce, or the County of Elk.

E. REPORTING

The Contractor must report to the Contracting Agency on a regular basis (monthly, quarterly or per project) the results of the affirmative efforts undertaken in Section D above by completing the attached for "Contractor's Progress Report for Section 3 Compliance". A written report on the utilization of project residents as trainees and skilled employees should also be submitted on a regular basis. The Contractor must keep documentation in his files supporting each report so that if the Contracting Agency requires more detailed information, it will be readily available.

This plan adopted by the Elk County Board of Commissioners, December 7, 2010, at the regular scheduled Board Meeting.

ELK COUNTY COMMISSIONERS

June H. Sorg, Chairman

Daniel R. Freeburg, Commissioner

Ronald Beimel, Commissioner

ATTEST:

Jean Zore, Chief Clerk